CLASSIFICATION

REPORT

CD NO.

50X1-HUM

INFORMATION FROM FOREIGN DOCUMENTS OR RADIO BROADCASTS

COUNTRY

USER/Satellites

DATE OF

SUBJECT

Economic - Foreign trade

INFORMATION 1949

HOW

•

PUBLISHED Monthly periodical

DATE DIST. /O Jun 1949

WHERE

PUBLISHED MORCOW

NO. OF PAGES 2

DATE

4

PUBLISHED APR 1949

SUPPLEMENT TO

LANGUAGE Russian

REPORT NO.

THE DOCUMENT CONTINUE INFORMATION AFFORMS THE RATIONAL DIFFERENCE OF THE BRICES STATES STATES THE BELLESS OF ESPICIALS ALT SO. S. C. J. ALCO S. A. A. ALCO S. ALCO S.

THIS IS UNEVALUATED INFORMATION

SOURCE Vneshnyaya Torgovlya, No 4, 1949.

ECONOMIC COLLABORATION RETWEEN USER AND PROPIES' DEMOCRACIES

A. Korolenko

As a result of negotiations successfully concluded by the Ministry of Foreign Trade USER and the trade delegations of Polund, Bulgaria, and Rusania, protocols were signed in January 1949 for an exchange of goods in 1949 between the USER and these countries. An agreement on commodity trade and payments in 1949 between USER and Rumania, and an agreement on the granting of technical assistence to Rumania were also signed.

Commodity trade planned for 1949 between USSR and the above-cited countries exceeds that of 1948.

The planned volume of commodity trade between USER and Foland in 1949 will increase by 55 percent in comparison with the level of yearly delivery by the agreement on exchange of goods for the period 1948-1952, signed 26 January 1948. The value of the goods to be delivered in 1949 by each party will amount to about 715 million rables, not including the value of the equipment supplied by the Soviet Union to Foland according to the credit agreement. The USER will supply Foland with cotton, iron, manganese, chrome ore, trucks, tractors, agricultural machines, petroleum products, chemicals, and other commodities. Foland, for its part, vill supply the MSER with coal, railroad rolling stock, nonferrous and ferrous metals, textiles, sugar, and other commodities.

General commodity trade between USER and Bulgaria will increase by 20 percent in 13k9 in comparison with 19k8, not including the value of the equipment supplied by the Soviet Union to Bulgaria according to the credit agreement. Bulgaria will import from the USER petroleum products, cotton, ferrous and nonferrous metals, machine tools, tractors, trucks and synthetic fertilizer. Bulgaria will supply the Soviet Jaion with tobacco, lead and sinc concentrates, copper ore, and comment.

Trade between the USSR and Rumania will be increased in 1949 by 2½ times as compared with 1948. The value of the goods to be delivered in 1949 by each party will be about 465 million rubles. The Soviet Union will supply Rumania with industrial equipment, trucks, metals, agricultural machines, iron ore, coke,

- 1 -

-	CLASSIFICATIO	ON_	(animatical)		
STATE X MANY	X man		DISTRIBUTION		
ARRIY XAR	X A.				<u> </u>
	_			 	

CONFIDENTIAL

50X1-HUM

cotton, seed, and other commodities. The Soviet Union will take orders from Rumanis for industrial equipment which requires a long term in manufacture. Technical assistance will be given in the construction of enterprises and in the production of new types of machines. Rumania will supply the USSR with petroleum products, timber, locomotives, railroad cars, barges, chemicals, meat products and consumers' goods.

Trade between the USSR and Czechoslovakia in 1949 will be increased by more than 45 percent as compared with 1948, according to an agreement concluded in December 1948 between the government of USER and the Czechoslovak government delegation, headed by A. Zapotocky, Chairman of the Council of Ministers of Czechoslovakia. The boviet Union will assist in the development of Czechoslovak production and in the restoration of the Czechoslovak economy by delivering necessary raw materials for industry, industrial equipment, especially machines for heavy machine building, construction, timber, mining industries, etc., by increasing and expanding technical collaboration, and granting loans in gold and free currency. Czechoslewskia will supply the Soviet Union with petroleum, railroad equipment, and textile goods.

Trade between the USSR and Hungary will be doubled in 1949, according to an agreement concluded between these countries in October 1948.

In addition to an expansion of commodity trade between the USER and the peoples' democracies, significan's success has also been achieved in the development of other forms of economic collaboration. This collaboration has taken the forms of an exchange of technical experience and a granting of technical assistance, the foundation of mixed trade boards, the organization of exhibitions, the establishment of mixed societies, etc. Thanks to the application of a policy of increased economic collaboration, the peoples' democracies and the USER have made possible an acceleration in the restoration and development of their own national economy.

By supplying the peoples' democracies with capital equipment, machines, and machine tools, the Soviet Union is promoting the industrialization of these countries. This assistance is not only acknowledged by our friends, but also even those elements which cannot be suspected of harboring any sympathy toward the Soviet Union and the peoples' democracies must now acknowledge it. The organ or the English Conservatives, the newspaper The Times, in the 22 December 1948 issue, noted the great extent of the assistance which the Soviet Union has given to the industrialization of the countries of Eastern Europe.

Because the United States and the western European countries were boycotting the Soviet Union and the peoples' democracies, a conference was held to discuss the possibility of organizing broader economic collaboration between the peoples' democracies and the USSR. The conference decided to set up a Cumcil of Economic Mutual Assistance, made up of the representatives of the countries participating at the conference, which could be joined by other European countries sharing the principles of the Council and desiring to participate in greater economic collaboration with the above-mantioned countries. In February, Albania was admitted as a member.

The tasks of the Council will be the exchange of economic experience, technical cooperation, and mutual assistance with raw materials, food, machines, equipment, etc.

- E B D -

- 2 -

CONFIDENTIAL